GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:6249
ANSWERED ON:06.05.2005
LEGISLATION ON INSURANCE SECTOR
Danve Shri Raosaheb Patil

Will the Minister of FINANCE be pleased to state:

(a) whether the Government proposes a comprehensive legislation on insurance sector;

(b) if so, the details thereof;

(c) whether the Law Commission and Insurance Regulatory and Development Authority have provided some inputs in this regard;

(d) if so, the details thereof; and .

(e) the action taken by the Government thereon?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S.PALANIMANICKAM)

(a) to (e): Law Commission of India, in its 190th Report, has recommended, inter alia, merger of Insurance Act, 1938, Insurance Regulatory and Development Authority (IRDA) Act,1999, deletion of redundant provisions in these Acts and setting up of Grievances Redressal Mechanism, The report waslaid on the Table of Lok Sabha and Rajya Sabha on 10 December and 13th December,2004 respectively. The Government has asked for the views of IRDA, which has set up a Committee of Experts on 7th March,2005 to study the report of the Law Commission, specifically the provisions relating to Investments, sufficiency of assets,insurance surveyors,Tariff Advisory Committee, Shareholders1 Fund and Policyholders` Fund. The views of IRDA are awaited.